

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 63 - SB 1821

February 23, 2009

SUMMARY OF BILL: Enacts the *Tennessee Taxpayer and Citizen Protection Act*. Requires, in most circumstances, all identification documents issued by state and local government to be issued only to United States citizens, nationals, and legal permanent resident aliens. Denies eligibility for any postsecondary education benefit or resident tuition for any individual who is not lawfully present in the United States.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – \$498,000/One-Time
Exceeds \$780,000/Recurring

Increase Local Expenditures – Exceeds \$100,000/One-Time*
Exceeds \$100,000/Recurring*

Assumptions:

- The Department of Safety will be required to make computer systems changes at an estimated one-time cost of \$24,800. Additional one-time costs to the Department include Driver License design changes (\$50,000), staff training (\$10,000) and (\$15,000) for the cost of providing information to the public concerning the required changes. The total one-time increase in state expenditures for such changes is \$99,800.
- The Tennessee Higher Education Commission estimates a one-time increase in state expenditures of approximately \$262,000 to reprint ID cards with the required statement of restricted validity.
- The Department of Health would be required to verify immigration status for each birth certificate applicant. There are approximately 260,000 birth certificate requests each year in Tennessee. It is estimated that 20 full-time Clerk 3 positions would be required by the Department to carry out the verification process. The recurring increase in state expenditures for salary and benefits for such individuals is estimated to be \$694,000. One-time costs for supplies associated with these positions are estimated to be approximately \$136,000.

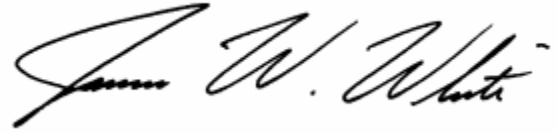
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- The federal status verification system (SAVE) will charge a \$25 fee per month for system access.
- Each query of the SAVE system will be subject to a fee of approximately \$0.25.
- The Department of Health will require 10 terminals with SAVE access at an annual cost of approximately \$6,000. At a cost of \$0.25 each, the Department will incur recurring expenditures of approximately \$65,000 to make the 260,000 SAVE queries for birth certificates (260,000 x \$0.25).
- There will be an increase in recurring state expenditures exceeding \$15,000 for at least 50 computer links (not including the terminals required for the Department of Health) to access the SAVE program (\$25 monthly fee x 50 computer links x 12 months = \$15,000).
- K-12 schools and institutions of higher education only use identification cards for purposes that would be exempt under the provisions of this bill.
- The Department of Human Services indicates that their current practices conform to the requirements of the bill therefore there would be no fiscal impact to the Department.
- The Department of Finance and Administration indicates that there would be no direct expenditures to their department.
- One-time systems changes for local government are estimated to exceed \$100,000 statewide.
- There will be an increase in recurring expenditures to local government exceeding \$85,500 for at least three computer links within each county of the 95 counties to access the SAVE program (\$25 monthly fee x 95 counties x 12 months x 3 computer links = \$85,500).
- There will be an increase in state and local government expenditures associated with such queries (not including the queries made by the Department of Health). Such increase is estimated to be less than \$100,000 to the state and less than \$100,000 to local government.

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized "J" and "W".

James W. White, Executive Director

/cce